

Remarks/Arguments

Reconsideration is respectfully requested. Claims 1, 4-12, and 15-24 are pending. Claims 2-3 and 13-14 have been cancelled without prejudice. Claims 21-24 are new.

For the reasons set forth below, Applicants respectfully submit that all pending claims are allowable.

I. Obviousness Rejections

Claims 1-20 are rejected under 35 USC 103(a) as being unpatentable over US Publication No. 2005/0102188 (Hutchinson, et al.) in view of US Publication No. 2005/0097049 (Writer, et al.) further in view of US Publication No. 2002/0082994 (Herziger) and further in view of US Patent No. 6,282,523 (Tedesco, et al.). See Office Action page 2.

Preliminarily, claims 2-3 and 13-14 have been cancelled without prejudice. Therefore, the rejection of these claims is now moot.

Without acquiescing to the propriety of the Examiner's rejection and solely for the purpose of advancing prosecution, the claims are amended as shown above. To this end, Applicants reserve the right to pursue claims of the same or similar scope prior to the amendments made herein in one or more continuing applications.

Claim 1 is now directed to a combination that includes, among others, receiving, over the data network, a user selected debit transaction amount from a plurality of debit transaction amounts when the financial account is generated; automatically debiting, using the controller, the user selected debit transaction amount from the bank account electronically to the financial account at a predetermined interval; periodically verifying, using the controller, a balance amount of the bank account; and periodically determining, using the controller, whether the balance amount of the bank account is equal to or greater than an outstanding balance amount of the financial account by comparing the verified balance amount of the bank account to the outstanding balance amount of the financial account. **Claim 12** is now directed to a combination that

includes, among others, a server terminal configured to receive a user selected debit transaction amount from a plurality of debit transaction amounts when the financial account is generated; debit the user selected debit transaction amount from the bank account electronically to the financial account at a predetermined interval; periodically verify a balance amount of the bank account; and periodically determine whether the balance amount of the bank account is equal to or greater than an outstanding balance amount of the financial account by comparing the verified balance amount of the bank account to the outstanding balance amount of the financial account. **Claim 20** is now directed to a combination that includes, among others, receiving a user selected debit transaction amount from a plurality of debit transaction amounts when the financial account is generated; automatically debiting the user selected debit transaction amount from the bank account electronically to the financial account at a predetermined interval; periodically verifying a balance amount of the bank account; and periodically determining whether the balance amount of the bank account is equal to or greater than an outstanding balance amount of the financial account by comparing the verified balance amount of the bank account to the outstanding balance amount of the financial account.

As understood, neither Hutchinson, Writer, Herziger, nor Tedesco, either alone or in any combination, disclose or otherwise suggest at least the above recited elements of claims 1, 12, and 20.

With respect to Hutchinson, as understood, Hutchinson discloses a virtual payment system that provides buyers a secure method for purchasing products over the internet. (Hutchinson, para. 0069). According to Hutchinson, the virtual payment system allows registered buyers to purchase products from registered sellers without transferring sensitive account information to the sellers over the internet. (Hutchinson, para. 0069). Hutchinson continues by stating that when creating a virtual payment account, a buyer's credit is checked by a credit bureau to determine the buyer's credit score. If the buyer's credit score is above a threshold level, a credit limit is set and the virtual account is created. However, if the score falls below the threshold, a virtual

payment account can still be created but all purchases must be prepaid. (Hutchinson, para. 0071).

With respect to Writer, as understood, Writer also fails to disclose or suggest at least the above recited elements of claims 1, 12 and 20. As understood, Writer discloses a method for verifying an identity of a cardholder for both debit and credit transactions. (Writer, para. 0020). According to Writer, a request to verify an identity of a cardholder is requested by a merchant system. (Writer, para. 0036). When the request is initiated, a plurality of authorization requests are generated and transmitted to the card issuing institution. As part of the authorization requests, transactions are randomly generated that total some predetermined amount. (Writer, para. 0037). The cardholder is then verified by confirming the amount of each of the plurality of authorization requests. (Writer, para. 0038).

Regarding Herziger, as understood, Herziger also does not disclose or suggest at least the above recited elements of claims 1, 12, and 20. As understood, Herziger discloses a deposit verification module of an ATM that assists a user in performing verification of deposit amounts made in an ATM. (Herziger, para. 0127). According to Herziger, the deposit verification module generates a log of deposit transactions that correspond to each deposit transaction that was performed by ATM customers at a particular ATM. (Herziger, para. 0130). The log is stored in a memory and is updated as data corresponding to each deposit transaction is received by a processor. The log is then used in a deposit verification process to verify each deposit transaction. (Herziger, para. 0130).

Regarding Tedesco, as understood, Tedesco also does not disclose or suggest at least the above recited elements of claims 1, 12, and 20. As understood, Tedesco discloses an account database having a plurality of entries that define a financial account maintained by a bank. (Tedesco, col. 5, lines 22-26). According to Tedesco, each entry includes an account identifier that uniquely identifies a financial account, a balance of funds in the financial account, an available balance of the financial account, an unavailable balance of the financial account, and an authorization identifier for

verifying that inquiries and commands are initiated by authorized parties. (Tedesco, col. 5, lines 27-33). According to Tedesco, the available balance defines a portion of the balance that is available for use in the financial account while the unavailable balance defines a portion of the balance of the financial account that is unavailable for use. (Tedesco, col. 5, lines 33-37).

For example, Tedesco states that if a check for \$20 is deposited to the financial account, the balance of the financial account is increased by \$20 but the newly deposited \$20 is not available until the check clears. Accordingly, the unavailable balance will increase by \$20 while the available balance will be unaffected. However, when the check clears, the available balance will increase by \$20 and the unavailable balance will decrease by \$20. (Tedesco, col. 5, lines 37-45).

As understood, neither Hutchinson, Writer, Herziger, nor Tedesco, either alone or in any combination, disclose or otherwise suggest at least maintaining available and unavailable balance information of a financial account, Tedesco does not disclose or suggest receiving a user selected debit transaction amount from a plurality of debit transaction amounts when a financial account is generated, automatically debiting the user selected debit transaction amount from the bank account electronically to the financial account at a predetermined interval, periodically verifying a balance amount of the bank account, and periodically determining whether the balance amount of the bank account is equal to or greater than an outstanding balance amount of the financial account by comparing the verified balance amount of the bank account to the outstanding balance amount of the financial account as recited in claims 1, 12, and 20.

Accordingly, for at least the reasons as set forth above, Applicants respectfully submit that claims 1, 12, and 20, and claims 4-11, and 15-19 dependent therefrom, are allowable.

Claims 5 and 16

Turning specifically to the rejection of dependent claims 5 and 16, Applicants herein renew all of the arguments set forth above in distinguishing claims 1 and 12 from

the cited references and submit that, at least for the same reasons, claims 5 and 16 are allowable. Furthermore, Applicants submit that none of the cited references, either alone or in any combination, disclose or suggest that a user selected periodic debit transaction amount includes one of a full balance of the financial account, a minimum payment amount of the financial account, and a minimum payment amount of the financial account plus a predetermined payment amount as recited in claims 5 and 16.

In rejecting these claims the Examiner specifically relies on figures 10A-10C of Hutchinson. However, as understood, figures 10A-10C of Hutchinson illustrate exemplary web pages used by a user having a virtual payment account. For example, Hutchinson discloses that FIG. 10A illustrates a web page that contains details of a primary account along with sub-accounts, FIG. 10B illustrates a web page summarizing the sub-accounts for a master account, and FIG. 10C illustrates a transaction summary web page for the sub-accounts for a given master account. (Hutchinson, para. 0137).

As understood, neither the figures relied on by the Examiner, nor the description of Hutchinson that describes the figures, disclose or suggest a user selected periodic debit transaction amount or that the user selected periodic debit transaction amount includes one of a full balance of the financial account, a minimum payment amount of the financial account, and a minimum payment amount of the financial account plus a predetermined payment amount. Accordingly, Applicants submit that claims 5 and 16 are allowable.

II. New Claims 21-24

New claims 21-24 each depend either directly or indirectly from independent claims 1 and 12 respectively. For at least the same reasons as set for the above and renewed herein in distinguishing claims 1 and 12 from the cited references, Applicants respectfully submit that claims 21-24 are allowable.

No Disclaimers Or Disavowals

Amendments to and/or cancellations of the claims are being made without prejudice and solely to clarify issues before the Examiner and/or to advance prosecution of this application and are not intended as a disavowal of any subject matter and do not constitute an agreement or acquiescence to any objection and/or rejection.

Accordingly, by this response Applicants do not concede that previously pending claims are not patentable.

Applicants reserve the right to pursue claims to any subject matter supported by the disclosure of this application in one or more continuation and/or divisional applications at a later time, including the subject matter of any pre-amended and/or cancelled claims, including broader and narrower claims, and including any subject matter found to be disclaimed herein or by any prior prosecution (should such subject matter be found to be disclaimed despite Applicants' statement herein of no such disclaimer). Accordingly, Applicants do not make any disclaimers or disavowals of any subject matter supported by the present disclosure.

Applicants' silence with regard to the Examiner's rejections of and/or objections to certain dependent claims constitutes a recognition by Applicants that the rejections and/or objections are moot based on Applicants' amendment or remarks relative to the independent claim from which the dependent claims depend. Such silence does not constitute an acquiescence to any of the Examiner's objections and/or rejections, and Applicants reserve the right to argue the patentability of such dependent claims at any appropriate time.

Remarks and/or amendments, or a lack of remarks and/or amendments, are not intended to constitute, and should not be construed as, an acquiescence, on the part of Applicants: as to the purported teachings or prior art status of the cited references; as to the characterization of the cited references advanced by the Examiner; or as to any other assertions, allegations or characterizations made by the Examiner at any time in this case. Applicants reserve the right to challenge the purported teaching and prior art status of the cited references at any appropriate time.

In view of the foregoing, Applicants respectfully submit that all pending claims are allowable, and request the Examiner's early examination of the pending claims in the present application. In the event that the Examiner deems a telephonic or in person discussion would be helpful in advancing the prosecution of the present application, Applicants respectfully request the Examiner to contact Applicants' representative at (510) 652-6418, x82.

Respectfully submitted,
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